

WASHINGTON, D.C. Congressman Tim Ryan (D-Ohio) announced today that the National Association of Manufacturers' (NAM) trade policy-making body voted Tuesday to endorse his legislation, the Chinese Currency Act (H.R. 1498) ("the Ryan-Hunter Bill"), which makes currency exchange rate manipulation by any U.S. trading partner an export subsidy subject to U.S. trade remedies. By a vote of 75-46, the NAM's International Economic Policy Committee (IEPC), a committee of the whole membership, adopted a resolution to endorse H.R. 1498.

"Since Congressman Duncan Hunter (R-California) and I introduced H.R. 1498 in 2005, this legislation has continued to gain tremendous bi-partisan support," said Congressman Ryan.

"This endorsement from the NAM represents a clear and powerful statement from our nation's manufacturing sector that it will no longer tolerate exchange-rate protectionism from our trading partners."

Economists estimate that if the People's Republic of China did not manipulate its exchange rate, its currency would be up to 40 percent more valuable. By persistently intervening in the currency markets, China is able to make the price of its exports significantly cheaper while making imports into China artificially more expensive often to the severe detriment of U.S. domestic manufactures.

In January 2005, Ryan began working with the China Currency Coalition and the AFL-CIO to craft a solution to the Chinese currency crisis that would be WTO-consistent, effective and capable of attracting bi-partisan support. Since the April 2005 introduction, H.R. 1498 has gained 169 co-sponsors in Congress, including 81 Republicans. No other current trade

legislation to address exchange rate manipulation has approached this level of support.

"I am extremely grateful to the NAM's trade associations and individual member companies who fought so hard on behalf of my legislation to secure the NAM's endorsement," said Congressman Ryan. He noted that many factory owners flew to Washington or left the shop floor to participate in the 2-hour long meeting, which was officiated by NAM President and former Michigan Governor John Engler.

Professor Peter Morici of the University of Maryland, who attended the event and argued on behalf of the resolution, stated after the meeting: **"The hard reality is China spends over \$200 billion per year subsidizing its exports through currency manipulation. Export subsidies are protectionism and are explicitly prohibited under international rules. The opponents of strong US action, with manufacturing operations in China, are merely profiting from and defending Chinese protectionism."**

In 2003, Congressman Ryan co-founded the House Manufacturing Caucus and has continued to advocate a pro-manufacturing agenda. Since 2000, the U.S. has lost 3 million manufacturing jobs, and the share of imports in tradable manufacturing industries increased from 22.6% in 1997 to 31.2% in 2004.